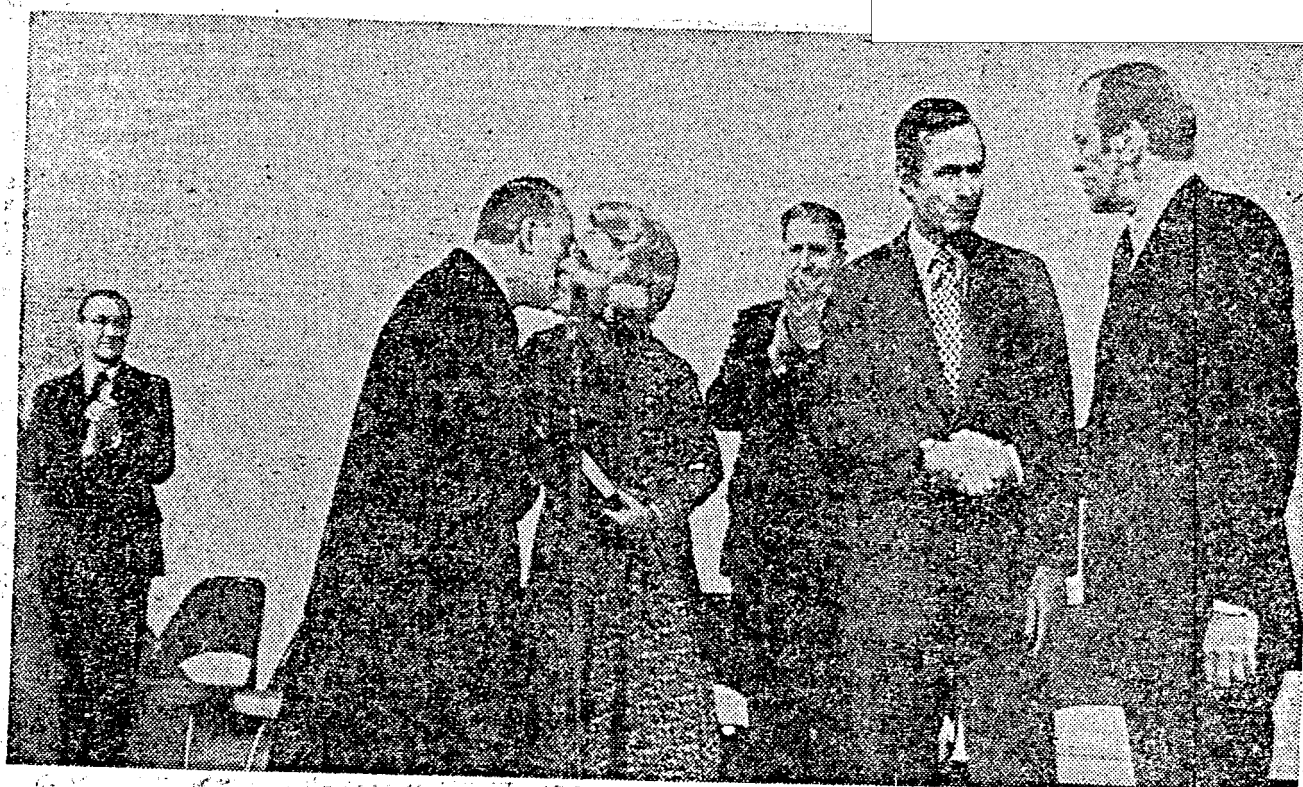


THE NEW YORK TIMES
31 January 1976



President Ford congratulates George Bush on becoming director of the Central Intelligence Agency as Justice Potter Stewart, who administered oath at McLean, Va.,

kisses Mrs. Bush. In center background is Lieut. Gen. Vernon A. Walters, deputy director of the C.I.A. At the left is William E. Colby, the departing director.

Ford Promises Effort to Restore Confidence in C.I.A.

By JAMES M. NAUGHTON
Special to The New York Times

McLEAN, Va., Jan. 30—President Ford promised officials of the Central Intelligence Agency today that he would work to restore public confidence in the intelligence community without compromising its effectiveness or secrets.

"We cannot improve this agency by destroying it," the President declared at the ceremonial installation of George Bush as director of the C.I.A.

For this part, Mr. Bush spoke of applying the lessons

learned from the agency's excesses of the past, but he said he was determined to protect intelligence agents who risk their lives. "only to have some people bent on destroying this agency expose their names." "This must stop," he asserted.

The remarks of the President and Mr. Bush, who is the agency's third director in three years, drew loud applause from 300 intelligence officials, members of Congress and the Cabinet and other guests assembled in an egg-shaped auditorium at

the C.I.A. headquarters outside Washington.

But it was William E. Colby, the departing director, who stole the show. Mr. Colby, whose dismissal by the President terminated a 25-year career in the agency, was given two sustained, standing ovations by the audience—once before Mr. Ford arrived and again when the President thanked him for "dedicated service."

After the ceremony, Mr. Ford and Mr. Bush walked from the auditorium to the main en-

trance to the huge C.I.A. headquarters building to greet several hundred agency employees. The workers turned moments later to cheer Mr. Colby as he strode from the building, entered an automobile and drove off into the late morning muck.

Mr. Ford, whose supporters succeeded yesterday in winning a 246-to-124 vote in the House of Representatives blocking the publication of classified information in the final report of

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the House Select Committee on Intelligence, sought at the C.I.A. headquarters to underline his view of the importance of intelligence activities and secrecy.

"The abuses of the past have more than adequately been described," the President said.

He expressed assurance that C.I.A. officials were as determined as he said he was to prevent recurrence of intelligence excesses. But he added: "We cannot improve this agency by destroying it. Let me assure you I have no intention of seeing this intelligence community dismantled and its operations paralyzed or effectively undermined."

He said that his long-awaited recommendations for reform of the intelligence community would try to strike a balance between the need for effective intelligence, including "necessary covert operations," and assurance that such activities would always be conducted legally.

The President said that the appointment of Mr. Bush "matches a good man with a good team" and that Mr. Bush would help to make the agency "an instrument of peace and an object of pride for all Americans."

Mr. Bush, the former United States liaison officer in Peking, had encountered some opposition to his nomination as agency chief because of his background in politics as a one-time House member from Texas and as chairman of the Republican National Committee.

'No Policy Bias'

In his remarks at today's ceremony, declared that "no politics, no policy bias will color the collective judgment of the C.I.A." under his direction.

"I will not turn my back on the past," Mr. Bush said. But he offered assurance to those he called "fellow employees" of the C.I.A. that, in seeking to restore trust in the agency, he would also be "determined to protect those things which must be kept secret."

He emphasized that he was intent on preventing disclosures of the identities of the "unselfish and patriotic" agents abroad who he said often served with "their lives on the line."

The agency chief in Greece, Richard S. Welch, was slain by unknown gunmen outside his home in Athens last Dec. 23, about a month after an Athens newspaper listed his name among C.I.A. officials serving in the country.

The outcome of the House vote blocking release of the intelligence committee's report was unclear today. The report was to be filed, as a secret document, with Edmund L. Henshaw Jr., the clerk of the House, who told reporters he was not sure what to do with it.

Under the terms of the House decision, the report could be released once the President approved a censored version. But the committee chairman, Representative Otis G. Pike, Democrat of Suffolk County, said he might not even file "a report on the C.I.A. in which the C.I.A. would do the final rewrite."